

EXHIBIT I

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January 13, 2011

Matthew R. Scheck, Esq.
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Re: JPMorgan/Lehman

Dear Mr. Scheck:

I write in response to your letter dated January 7, 2011. As we have previously brought to your attention, LBHI and its creditors committee, represented by your firm, have brought a multi-billion dollar suit against JPMorgan. Given the pending lawsuit, JPMorgan is unsurprisingly not disposed to voluntarily undertake the substantial burden and distraction of your request, particularly in light of the fact that it is largely duplicative of discovery requests you have made of JPMorgan in the lawsuit filed by your clients.

As you are well aware, notwithstanding the fact that the current litigation does not challenge the reasonableness of JPMorgan's collateral liquidation, JPMorgan has agreed to search for and produce documents relevant to the following requests by LBHI and its creditors committee from files of the agreed upon custodians and using agreed search terms and dates:

- Request No. 24 for "[a]ll documents concerning JPMorgan's disposition of any of the Supplemental Collateral and the Trading Portfolio";

Matthew R. Scheck, Esq.
January 13, 2011
Page 2

- Request No. 136 for “[a]ny internal manuals, memoranda, or guidelines relating to JPMorgan’s procedures or standards for . . . liquidation of collateral”;
- Request No. 159 for “[a]ll documents concerning the actual or contemplated disposition or liquidation by JPMorgan of any Lehman Brothers collateral”;
- Request No. 160 for “[a]ll documents concerning JPMorgan’s contemplated or actual application of collateral (or proceeds therefrom) to purported obligations of Lehman Brothers to JPMorgan”;
- Request No. 162 for “[a]ll documents concerning the value or price of any Lehman Brothers collateral held by JPMorgan”;

Documents responsive to these requests will be produced in accordance with the scheduling order and discovery plan filed with the bankruptcy court. In addition, JPMorgan has agreed to produce the documents it previously produced to the LBI Trustee, which include all non-privileged documents through the end of 2008 related to the liquidation of any LBI account or property as well as several spreadsheets from 2009 and 2010 containing updated liquidation results. If, after reviewing the produced documents, you believe that you have grounds to request additional documents from JPMorgan for some purpose unrelated to the pending litigation, you may communicate those requests and the grounds for the requests to us. Until then, JPMorgan will continue to comply with its discovery obligations in the litigation filed by your clients, but will neither voluntarily duplicate its efforts nor agree to burdensome and duplicative requests outside the scope of the litigation at the whim of its litigation adversaries.

Finally, we do not recommend that you use the document titled Complete Tas-simo JPMO Trade Activity 03152010 in connection with your “investigation” of the securities liquidation. That file was provided by JPMorgan, together with a large amount of additional information, in response to LBHI’s request for detailed information supporting the amount of the various claims stated in the Exposure Summary on which certain payments under the Collateral Disposition Agreement were based. The CUSIPs and proceeds amounts stated in that document are correct so far as we are aware, but the characterization of transactions and principal amounts of securities stated in that document have not been thoroughly checked. For example, the RACERS error was a DTC error that LBHI, having along with JPMorgan identified it prior to the closing of the Collateral Disposition Agreement, was and is aware of. Note that LBHI had earlier requested that JPMorgan provide it with the information that was provided to the LBI Trustee (in our view, the appropriate party to be investigating the liquidation of securities collateral posted by LBI) in connection with the LBI Trustee’s investigation of the liquidation. JPMorgan provided that information to LBHI and on December 17, 2009 we expressly consented on behalf of JPMorgan to LBHI’s sharing that information with the committee’s professionals

Matthew R. Scheck, Esq.
January 13, 2011
Page 3

(based on the committee's professional's assurance of affording such information highly confidential treatment). As an initial matter, we recommend that you review and rely on those files.

This letter is without prejudice to JPMorgan's rights and remedies, all of which are hereby expressly reserved.

Very truly yours,


Harold S. Novikoff